

Message Text

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47

ACTION NEA-02

INFO OCT-01 ISO-00 EB-05 AID-07 RSC-01 DRC-01 /017 W

----- 078229

P R 251231Z MAR 74

FM AMEMBASSY KUWAIT

TO USDOC WASHDC PRIORITY

INFO /SECSTATE WASHDC 9120

AMEMBASSY ABU DHABI

AMEMBASSY BEIRUT

AMEMBASSY JIDDA

AMEMBASSY MANAMA

UNCLAS KUWAIT 1146

E.O. 11652: N/A

TAGS: BEXP, KU

SUBJECT: WATER RESOURCES TRADE MISSION: KULJIAN CORP.

REF: AID A-1464, SEPT. 3, 1971.

1. REPAIR WAS BROUGHT TO POST'S ATTENTION BY MEMBER U.S.
BUREAU PUBLIC ROADS TEAM WHICH WORKING FOR KUWAIT MINISTRY OF
PUBLIC WORKS. TEXT FOLLOWS:

BEGIN TEXT:

1. PURSUANT TO REGULATION 8, SECTION 208.5, THE FOLLOWING
SUPPLIER WAS NOTIFIED BY LETTER DATED AUGUST
31, 1971 OF SUSPENSION FROM ELIGIBILITY AS A SUPPLIER OF
SERVICES INCLUDING THE RELATED PROCUREMENT OF COMMODITIES
UNDER ANY CONTRACT WITH THE AGENCY FOR INTERNATIONAL
DEVELOPMENT:

THE KULJIAN CORPORATION
1200 NORTH BROAD STREET
PHILADELPHIA, PENNSYLVANIA

2. KULJIAN CONTRACTED WITH THE WEST BENGAL STATE ELECTRICITY
BOARD OF INDIA TO PREPARE THE SPECIFICATIONS AND SUPERVISE
CONSTRUCTION FOR THE BANDEL THERMAL POWER PROJECT IN THE STATE
OF WEST BENGAL. THE TOTAL FEE IN DOLLARS AND RUPEES WAS THE

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EQUIVALENT OF \$1,901,000 AND THE DOLLAR PORTION WAS FINANCED

BY A.I.D. THROUGH A.I.D. LOAN. OF THIS FEE, THE RUPEE EQUIVALENT OF \$252,000 WAS PAID BY KULJIAN TO B.N. BATTARCHARJEE FOR ASSISTANCE IN OBTAINING THE CONTRACT AND "GUIDANCE" THROUGHOUT THE LIFE OF THE CONTRACT. KULJIAN FAILED TO DISCLOSE THIS PAYMENT TO BATTARCHARJEE ON A.I.D. SUPPLIER'S CERTIFICATE (FORM 18-24) AND THUS MADE A FALSE STATEMENT BY OMISSION.

E. ON JUNE 29, 1971 KULJIAN WAS INDICTED BY A FEDERAL GRAND JURY SITTING IN THE SOUTHERN DISTRICT OF NEW YORK ON TWO COUNTS OF FRAUD. UNDER THESE CIRCUMSTANCES, IT APPEARS THAT SUSPENSION OF KULJIAN IS JUSTIFIED. END TEXT

2. COMMERCE MAY WISH CLARIFY THIS MATTER WITH AID OR KULJIAN BEFORE TRADE MISSION DEPARTS. EMBASSY WISHES HAVE SOONEST ANY ADDITIONAL INFO COMMERCE CAN PROVIDE SINCE KUWAITIS AND PERHAPS OTHERS MAY RAISE MATTER WITH US. WE SHOULD BE IN POSITION TO KNOW STATUS KULJIAN CASE BEFORE TRADE MISSION ARRIVES MARCH 31. STOLTZFUS

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NNN

Message Attributes

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Current Classification: UNCLASSIFIED
Concepts: n/a
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Copy: SINGLE
Draft Date: 25 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974KUWAIT01146
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
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Review History: RELEASED <17 JUL 2002 by elbezefj>; APPROVED <11 DEC 2002 by kelleyw0>
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EO Systematic Review
30 JUN 2005

Review Media Identifier:
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TAGS: BEXP, KU
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Type: TE
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